

**MINUTES OF REGULAR BOARD MEETING
CENTRAL OKLAHOMA MASTER CONSERVANCY DISTRICT**

Thursday, November 4, 2021

6:30 P.M.

Location: 12500 Alameda Dr. Norman, OK 73026

A. Call to Order

President Amanda Nairn called the meeting to Order at 6:30 pm.

Roll Call:

Board Members Present:

President Amanda Nairn

Vice President Casey Hurt

Treasurer Jann Knotts

Secretary Michael Dean

Roger Frech

Board Members Absent:

William Janacek

Kevin Anders

Staff Present:

Kyle Arthur, General Manager

Kelley Metcalf, Office Manager

Tim Carr, Operations & Maintenance Supervisor

Others Present:

Mark Roberts

Virtually:

William Janacek

Don Maisch

Heather Poole

B. Statement of compliance with Open Meeting Act

Kelley Metcalf, Office Manager, stated the notice of the monthly board meeting had been posted in compliance with the Open Meeting Act.

C. Administrative

C.1. Discussion of draft revisions to the District's Purchasing Policy

Mr. Arthur stated there are two purchasing policies in the packet. The current policy approved by the Board in 2017 and the second one is a draft purchasing policy. Effective November 1, 2021, Oklahoma House Bill 2049 increased the threshold for invoking the competitive bid process from \$50,000 to \$100,000. Mr. Arthur stated the policy could be left alone or modified to reflect the

\$50,000 increase as per now current statute. Mr. Arthur reminded the board this agenda item is not an action item tonight.

Not unlike the previous policy, this draft policy creates ranges of purchase amounts, up to and including the new competitive bidding threshold of over \$100,000 and escalates the requirements for each of the ranges as the amounts increase. For example, there would be less requirements for purchases under \$25,000 (the lowest threshold) and more requirements for those over \$100,000 (the highest threshold). Mr. Arthur noted that the policy also addresses purchases that were not anticipated in the budget. For such purchases, Board approval would be required if it exceeds \$5,000.

Mr. Arthur highlighted the language in the purchase range of \$50,001 to \$100,000. Prior to the statutory change, any contract above \$50,000 would require bids to be received via the competitive bidding process. While this requirement is now applicable only to contracts over \$100,000, this draft policy does recognize this range as a significant dollar expenditure and, as such, requires 3 bids minimum. It also contains language for how bids should be evaluated, including "price" and "best value" criteria. Mr. Hurt recommended changing the language to require more than one quote or bid, but not three. Three would be preferred. Ms. Nairn agreed. Mr. Dean added that quotes can come back as no bid but would still count; that is, the effort was made to solicit quotes or bids, but that a vendor may not have responded. Mr. Arthur also explained the sole source language has been added to this range. If sole source has been determined, it must be approved by the Board.

Mr. Arthur stated that the local preference section was simplified.

Mr. Dean expressed his concern on professional services. He stated that too often organizations keep going back to the same vendor time-after-time and year-after-year to perform the same services. Instead, as appropriate, we should seek RFQs or RFPs to ensure that we are getting a good representation of vendors and a good price. Further, he encouraged the District to be consistent in how we advertise for proposals and/or qualifications.

Mr. Hurt requested that the language at the end of Section 5 be revised to be less vague. He suggested that it directly give discretion to the President to convene an evaluation committee in consultation with the General Manager.

Ms. Nairn said she anticipates this to be an action item at the next meeting.

D. Action: PURSUANT TO 82 OKLA. STATUTES, SECTION 541 (D) (10), THE BOARD OF DIRECTORS SHALL PERFORM OFFICIAL ACTIONS BY RESOLUTION AND ALL OFFICIAL ACTIONS INCLUDING FINAL PASSAGE AND ENACTMENT OF ALL RESOLUTIONS MUST BE APPROVED BY A MAJORITY OF THE BOARD OF DIRECTORS PRESENT, A QUORUM BEING PRESENT, AT A REGULAR OR SPECIAL MEETING. THE FOLLOWING ITEMS MAY BE DISCUSSED, CONSIDERED AND APPROVED, DISAPPROVED, AMENDED, TABLED OR OTHER ACTION TAKEN:

D.2. Minutes of the Regular Board Meeting held on Thursday, October 7, 2021, and corresponding Resolution

The minutes were reviewed and finding those in good order as presented, Michael Dean made a motion seconded by Roger Frech to approve the Resolution.

Roll call vote:

President Amanda Nairn	Yes
Vice President Casey Hurt	Yes
Treasurer Jann Knotts	Yes
Secretary Michael Dean	Yes
Member William Janacek	Absent
Member Roger Frech	Yes
Member Kevin Anders	Absent

Motion Passed

D.3. Financial statements for operating accounts for September 2021, and corresponding Resolution

Treasurer Knotts pointed out this month there is a \$165,900.51 decrease in the operating account. On page 2 of the financial report, under new Del City Pipeline loan, there is \$115,384.31 decrease. There is a \$219,210.90 payment made for principal and interest on the Del City Pipeline loan. This is the first payment for principal and interest. Going forward the District's debt service on that loan is \$36,713.80. Mr. Arthur reminded the board that the District is now invoicing the cities monthly instead of quarterly. Mr. Arthur stated the monies will be taken from the operating account by the trustee bank and OWRB will get the monies semi-annually.

Finding the financial statements in good order as presented, Jann Knotts made a motion seconded by Michael Dean to approve the Resolution.

Roll call vote:

President Amanda Nairn	Yes
Vice President Casey Hurt	Yes
Treasurer Jann Knotts	Yes
Secretary Michael Dean	Yes
Member William Janacek	Absent
Member Roger Frech	Yes
Member Kevin Anders	Absent

Motion Passed

D.4. Authorization for hiring a full-time employee for a total compensation amount not to exceed \$50,000 in FY 2022, and corresponding Resolution

Ms. Nairn stated that the District is in need of hiring an additional employee and did not want to delay the action another month. Funding is not in the current budget for hiring an additional employee, therefore she wanted the Board to take a vote on it. Mr. Arthur stated that the reason this has become a need is that a couple of employees have had life changing events and have had to be out of work for extended periods. Additionally, these same two employees are eligible for retirement in the near future. Therefore, he is concerned about a sudden loss of knowledge and

opportunity to cross-train. Mr. Arthur said working at the District is a unique place to work and ideally it would be best for the new employee to work and learn from the Senior Technicians. The District has 6 employees currently. Mr. Arthur explained at a previous meeting that he shared with the board a financial prediction for the end of the year. At that time, \$35,000 was earmarked for a potential new hire. Despite the increase of this request, the projected carryover would still be \$875,000 to \$900,000 by the end of the year. This would still be within the carryover guidance range established in our budgeting policy of \$750,000 to \$1.25 million.

Roger Frech made a motion seconded by Casey Hurt to approve the Resolution.

Roll call vote:

President Amanda Nairn	Yes
Vice President Casey Hurt	Yes
Treasurer Jann Knotts	Yes
Secretary Michael Dean	Yes
Member William Janacek	Absent
Member Roger Frech	Yes
Member Kevin Anders	Absent

Motion Passed

E. Discussion

E.5. Legal Counsel's Report

October 7	attended monthly board meeting
October 8	review email communication from Monty Hightower about investment policy
October 11	research statutes and Oklahoma Constitution about investment policy matters and communicate to Kyle Arthur about the same
October 11	review copy of garnishment summons that Kyle Arthur received concerning a District employee and coordinate conference call about same
October 14	conference call with Kyle Arthur about investment policy issue
October 14	review garnishment worksheet prepared by Kelley Metcalf if needed to answer Garnishment summons
October 18	communication with Kelley Metcalf about filing annual report on forms prepared by State Auditor and Inspector
October 20	request meeting with Judge Balkman at Cleveland County Court before filing annual report
October 22	communication with local attorney for credit card company that filed garnishment and provide information to avoid necessity to file answer
October 27	prepare and send Legal Counsel report to Kelley Metcalf for inclusion in board packet with comments about draft agenda

Mr. Couch reported that he received a call from a lawyer who is counsel for a couple of other Master Conservancy Districts about the investment policy and the addition of stock funds as a

possible type of investment that could be made with surplus funds of this District. The District is an incorporated entity, although funds do come from municipalities which are public entities. The attorney wanted to better understand the authority that authorized the District to invest in stocks. Mr. Couch followed up with Mr. Arthur and reviewed the statutes. Mr. Couch stated that his more recent review revealed a provision of the Oklahoma Constitution that addresses public debt and a limitation on the legislature's ability to authorize cities, towns, counties, and "incorporated districts" from becoming a stockholder in a corporation. Mr. Couch researched the matter further and did not find authority detailing the exact meaning of the Constitution provisions. To seek clarification, when Mr. Couch filed the annual report to Cleveland County, he also filed a motion to confirm the revised investment policy adopted on November 5, 2020. He also visited with Judge Balkman about the issue and explained what his research had revealed. Mr. Couch will immediately report when he receives the ruling from the District Court.

E.6. General Manager's Report

Please see document titled "Manager's Report" in the packet.

Discussion was held on internet solutions at the re-lift facility. Mr. Arthur stated a meeting with DCM Internet has been held. A series of dishes will be added providing 11GHz, and it will be FCC licensed. The existing system will be kept for backup.

Mr. Dean asked what kind of load is on the checkerboard standpipe and maybe the District should consider using solar. Mr. Arthur stated and has also considered solar. He also asked about the possibility of utilizing 5G for communications as a potential cost-savings. Mr. Arthur and Mr. Hurt stated that the 5G network was too crowded already and would likely result in communications interruptions, which is what this 11GHz network is intended to help eliminate.

The job opening will be posted on the District website and on Indeed and possibly with local Votech entities. Mr. Dean requested the information be sent to him as well. Mark Roberts suggested contacting Mr. Bill Clark at Rose State College.

E.7. New business (any matter not known prior to the meeting, and which could not have been reasonably foreseen prior to the posting of the agenda)

Ms. Nairn reminded the Board during the General Manager's performance review, several months ago, it was mentioned that there may be some interest in a Board team retreat event. Ms. Nairn said she was open to suggestions and asked the board to think about what they might prefer. Mr. Dean stated the Open Meeting Act rules would have to apply. Mr. Couch stated there is an exemption from the Open Meeting Act for social gatherings, but no business can be discussed. Several board members stated they would like to have a Holiday Party and invite Board members, staff, and families. Mr. Arthur and Ms. Nairn will work out the details and information will be forthcoming.

The December Board meeting maybe cancelled.

Mr. Arthur reported that nearly \$7,000.00 was collected from reclaiming used copper gathered from various electrical projects in the past.

F. Adjourn

There being no further business, President Nairn adjourned the meeting at 7:50 P.M.